

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0948-01
Bill No.: HB 566
Subject: Education, Elementary and Secondary: Veterans
Type: Original
Date: February 1, 2001

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
General Revenue	(\$32,085)	(\$11,824)	\$0
Total Estimated Net Effect on <u>All</u> State Funds	(\$32,085)	(\$11,824)	\$0

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
Local Government	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 4 pages.

FISCAL ANALYSIS

ASSUMPTION

Officials of the **Department of Elementary and Secondary** would request a Supervisor (\$47,616) and related expense and equipment to administer Operation Recognition. Officials could not estimate the number of diplomas to be issued but expect costs to develop application procedures, distribute applications, publicize the program and issue diplomas would exceed \$100,000.

Officials of the **Department of Public Safety - Veterans' Commission** anticipate the need for a Service Officer I (\$22,087) for one year and expenses of one dollar per inquiry to determine eligibility for diplomas. They noted that 438,000 Missourians served during World War II and, while they can not predict the number of veterans or survivors who might apply for diplomas, they used ten percent for planning purposes.

Officials of the **Department of Public Safety - Missouri National Guard (MNG)** noted that 438,000 Missourians served during World War II and that there are about 124,500 veterans of World War II living in Missouri. They anticipate that some veterans or families of deceased veterans would not have proof of military service and would therefore need verification from the Office of the Adjutant General, which, under sections 41.170 and 41.180, RSMo, is required to maintain war records for Missouri citizens' entry service. They also assumed that the honorary diplomas could only be issued to Missouri residents or deceased Missourians who attended Missouri high schools.

MNG officials anticipate needing two Clerks II for one year (September 2001 to September 2002) who would research war records, verify honorable service and certify veteran status.

Oversight notes that, according to the Census Bureau's Current Population Survey (1998), thirty-three percent (33%) of persons 65 years of age and more had not received a high school diploma. For fiscal note purposes Oversight assumes that 145,000 of the 438,000 Missourians who served in World War II did not receive high school diplomas and that 42,000 survive. If 10% of the surviving eligibles and 1% of families of deceased eligibles applied, there would be about 5,650 applications.

Oversight assumes the Adjutant General will verify military service, when verification is required. Oversight has also adjusted fringe benefits to account for the temporary status of the employees.

Oversight also assumes that the veterans' organizations would publicize the program and that almost all applications would be processed during the first twelve months the program would be ASSUMPTION (continued)

in effect. Therefore, Oversight assumes that the State Board of Education and Department of

Elementary and Secondary Education could absorb costs for the program.

<u>FISCAL IMPACT - State Government</u>	FY 2002 (10 Mo.)	FY 2003	FY 2004
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GENERAL REVENUE FUND

Cost - Department of Public Safety:

Missouri National Guard

Personal Service (1.67, .33 FTE)	(\$26,856)	(\$10,918)	\$0
Fringe Benefits	(\$2,229)	(\$906)	\$0
Expense and Equipment	<u>(\$3,000)</u>	<u>\$0</u>	<u>\$0</u>
Administrative Cost MNG	(\$32,085)	(\$11,824)	\$0

<u>FISCAL IMPACT - Local Government</u>	FY 2002 (10 Mo.)	FY 2003	FY 2004
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	\$0	\$0	\$0
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FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

DESCRIPTION

This proposal would require the Department of Elementary and Secondary Education, with the cooperation of the Missouri Veterans' Commission, to develop Operation Recognition, a program to award honorary high school diplomas to Missouri World War II veterans who did not complete their high school education after the war.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space. The proposal would not affect Total State Revenue.

SOURCES OF INFORMATION

Department of Elementary and Secondary Education

Department of Public Safety

Missouri National Guard - Office of the Adjutant General

Veterans' Commission

A handwritten signature in black ink, appearing to read "Jeanne Jarrett". The signature is stylized with a large initial "J" and a cursive "Jarrett".

Jeanne Jarrett, CPA

Director

February 1, 2001